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Thomas L. Cook, founder and financial planner at Retire to Tellico in Knoxville, Tennessee, serves an extremely specific niche: the pickleball players of Tellico Village, a local retirement community.

Courtesy of Thomas L. Cook

The rewards financial advisors find working with niche clients

By Rob Burgess
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Maybe it's because there was a large employer nearby. Perhaps a new sport had emerged. Or it could have been a personal struggle that translated into a professional opportunity.

Whatever the reason, many financial advisors have taken the plunge into

specialization and found taking the risk rewarding.

And while generalists may worry they're leaving money on the table by sharpening their focuses so drastically, those who serve smaller client segments said they would never go back.

Deciding to specialize

Thomas L. Cook, founder and financial planner at Retire to Tellico in Knoxville, Tennessee, serves an extremely specific niche: the pickleball players of Tellico Village, a local retirement community.

"I didn't always know I would be this narrowly focused, but it evolved as I was preparing to launch my own RIA," he said.

While he was working for another firm, his favorite client was a couple from Tellico Village who were pickleball enthusiasts. He had personally been playing pickleball since 2017, and he wanted to attract more clients like them.

"Most pickleball players have an active lifestyle and are friendly, making them a perfect group of people I love to be around," he said.

Even though this sounds like a small group, the retirement community's pickleball group has over 1,000 members.

"Thinking I only need to serve 5% of that community has helped me have an abundance mindset," he said.

Lili Vasileff, president of Wealth Protection Management in Greenwich, Connecticut, specializes in divorce financial planning. She is also the founder and President of the National Association of Divorce Financial Planners. After decades of carving out her corner, she said she has no plans to become more generalized.

"This niche remains underutilized and underappreciated," she said.

Cook said the focus has aided his marketing efforts. He paid for a professional pickleball player to do two clinics in the morning with 16 members each. Afterward, they held a match called "pickleball pro vs. local legends," which had 100 people in attendance. This led to him being invited to even more local pickleball groups throughout the week. He's even about to launch his pickleball-themed podcast, "Match Point: How To Win The Money Game."

"Despite being less than a year into building my firm, the power of a niche is proving to be real," he said. I'm gaining traction much quicker, and more importantly, with the people I want to serve."

Chad Holmes, founder of Formula Wealth in Montgomery, Alabama, serves families assisting their aging parents as power of attorney. He said this focus has

helped him reach more clients.

"I used to serve a general client base but found my marketing to a general audience was lost in the noise of every other advisor's generalized content," he said. "I hate the idea of not being able to help everyone. I had to accept the fact that to run an efficient solo practice and enjoy time with my family, I had to set boundaries. In doing so, I can streamline my services better and not be so hodgepodge like I was in the beginning."

Rob Schultz, senior partner at NWF Advisory Services in Los Angeles, has focused on physicians for the past two decades. He said the payoff for this focus was somewhat lagging.

"It worked out for me as a young advisor but could be considered delayed gratification as they're typically paying off student loans and saving for a house first before they start investing large sums of money," he said.

Bryan Courchesne, CEO and founder of Digital Asset Investment Management in Newport Beach, California, specializes in cryptocurrency. Because traditional RIAs are still mostly wary about this asset class, their singular focus helps clients feel at ease.

"It is still an overlooked sector compared to traditional assets," he said.

'You get me'

Uziel Gomez, the founder of Primeros Financialin Los Angeles, serves first-generation Americans, like him.

"I understand the struggles of being a first," he said. "First-generation Americans are children of immigrants who typically are the first in their family to graduate college, first to be professionals and first in their family to build wealth."

Dr. Cobin Soelberg, founder and principal advisor for Greeley Wealth Management in Bend, Oregon, is also a board-certified anesthesiologist who has been practicing since 2008. At first, he decided to serve only physicians but further narrowed it down to other anesthesiologists like himself.

"As a physician, we immediately have a sense of trust that otherwise takes years to build," he said. "I know the specific financial challenges my colleagues face. I know about the crushing burden of six-figure student loan debt. But even more, I understand what it is like to study and train for 10-plus years. I understand what it feels like to watch a patient die on the operating table. I know the exhaustion of being up for 24 hours straight on call. And these connections help me serve my clients better."

Daniel M. Kopp, a financial planner with Wise Stewardship Financial Planning in Lakewood Ranch, Florida, serves active-duty military and young widows. A veteran and widower himself, he said his highly focused niche marketing makes

him extremely attractive to these specific clients with which he shares a personal connection.

"Cold leads quickly turn to warm as they say things like, 'You get me,'" he said. "If anything, I will only be getting deeper and deeper into the niche of Gold Star Widows. I've even started handing off some of the non-niche clients in the past year so I can add even more of the niche-focus clients."

Jay Zigmont, CFP and founder of Childfree Wealth in Mount Juliet, Tennessee, as the name of his firm implies, serves those without children. He said because this population is usually so overlooked, people are grateful for his focus.

"We've found that about a third of our introductory meetings end up in tears," he said. "We asked our prospects why, and they told us it was the first time they felt heard and seen. It is powerful to be there for people who otherwise may not be served, heard and seen."

Advice to others

Matt Smith, founder and lead advisor of Concert Financial Planning in Houston, serves "big law" attorneys, or those who work for some of the largest law firms in the country. For the first two years of his practice, he focused on high earners, not rich yet (HENRY) clients. His wife has been an attorney at a large law firm for over a decade, so he knew the considerations, including high W-2 income, large student loans and complex partnership tax issues. He said he considers his specialization as essential to his success.

"You must do this," he said. "It seems scary, but it is a great differentiator. The key is being able to get yourself in front of your audience."

Ed Snyder, co-founder of Oaktree Financial Advisors in Carmel, Indiana, specializes in working with employees of Eli Lilly, the pharmaceutical company based in Indianapolis. After the firm launched in 2000, it narrowed its focus three years later, as Eli Lilly is one of the largest employers in the region. He said becoming an expert in that particular area will help advisors seeking to stand out.

"Get good at knowing what things impact the group you want to work with and then put yourself out there in front of them as a resource to provide the information to help them," he said.

Holmes said advisors choosing a specialty don't have to pick age, employer, religion or industry as their niche.

"It can be any unique problem you like solving," he said.

Megan Kopka, managing partner at Apprise Wealth Management in Phoenix, Maryland, serves widows specifically. She said her personal experience with end-of-life planning gave her unique insight.

"Advisors should consider specializing if they have a personal connection to a niche or see a specific need that isn't being adequately addressed," she said.

Kevin Estes, founder and financial planner at Scaled Finance in Bellevue, Washington, is solely focused on T-Mobile employees and their families. Estes used to work at the company and found his way to financial planning after fellow employees asked for advice. He said his focus allows him to cut through the clutter and reach the clients he wants to serve.

"Other financial planners could benefit from specialization," he said. "A clear signal works. Noise doesn't. People just outside the niche will join if enough resonates."

Kopp said that despite the upsides of specialization, it can be difficult to break into the market at first. However, once the word gets out, the benefits become obvious.

"Initially it can be difficult if you aren't already known, trusted and liked in the niche space," he said. "It can take a few years to build that expertise or demonstrate it enough in public to attract those clients. But once that flywheel picks up a few years in, the momentum just keeps growing."